

**RED RIVER PARISH
PORT COMMISSION
ANNUAL FINANCIAL REPORT
JUNE 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/27/10

Red River Parish Port Commission
Financial Report
June 30, 2009

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Financial Report
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Red River Parish Port Commission

P. O. Box 1270
Coushatta, LA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS for the Year Ended June 30, 2009

This section of the Red River Parish Port Commission's (Commission) annual financial report offers readers a narrative overview and analysis of the financial performance of the Commission for the year ended June 30, 2009. The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year and prior year is required to be presented in the MD&A. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the Commission's financial statements, which immediately follow this section.

Financial Highlights

- The Commission's net assets decreased by \$220,769 from prior year.
- The Commission's assets exceeded its liabilities by \$3,866,445 at June 30, 2009.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

The government-wide financial statements distinguish functions of the Commission that are principally supported by leasing and intergovernmental revenues (governmental activities). The governmental activities of the Commission include general government, port and economic development. The government-wide financial statements can be found on pages 10-11 of this report.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Commission maintains the General Fund and the Construction Fund which are classified as governmental funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of government's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Assets

	<u>2009</u>	<u>2008</u>
ASSETS:		
Cash and Cash Equivalents	\$ 58,165	\$ 93,185
Capital Assets (net)	<u>3,808,280</u>	<u>3,994,029</u>
Total Assets	<u>\$3,866,445</u>	<u>\$4,087,214</u>
LIABILITIES:	\$ <u>0</u>	\$ <u>0</u>
NET ASSETS:		
Invested in Capital Assets	\$3,808,280	\$3,994,029
Unrestricted	<u>58,165</u>	<u>93,185</u>
Total Net Assets	<u>\$3,866,445</u>	<u>\$4,087,214</u>

Summary of Statement of Activities

	<u>2009</u>	<u>2008</u>
REVENUES:		
Charges for Services	\$ 15,579	\$ 55,078
Operating Grants & Contributions	15,797	38,887
Interest	441	308
Other	<u>1,650</u>	<u>220</u>
Total Revenues	\$ <u>33,467</u>	\$ <u>94,493</u>
EXPENDITURES:		
Port Operations	\$ 252,586	\$ 20,436
Construction	<u>1,650</u>	<u>181,555</u>
Total Expenditures	\$ <u>254,236</u>	\$ <u>201,991</u>
Change in Net Assets	\$ <u>(220,769)</u>	\$ <u>(107,498)</u>

General Fund Budgetary Highlights

At year end, actual revenues were \$5 more than budgeted and actual expenditures were \$8,298 less than budgeted expenditures.

Economic Factors and Next Year's Budget

The Commission has prepared its FY 2009/2010 operations budget for the General Fund on the assumption that revenues and expenditures will remain fairly constant next year.

Contacting the Commission

This financial report is designed to provide our citizens, grantors, and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Commission at P. O. Box 1270, Coushatta, LA 71019.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of the Red River Parish Port Commission

We have audited the accompanying financial statements of the governmental activities and each major fund of the Red River Parish Port Commission (Commission) as of and for the year ended June 30, 2009, which collectively comprise the Commission's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major funds of the Commission as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2009, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section which includes Management's Discussion and Analysis and the budgetary comparisons listed as required supplemental information in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison statements have been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

October 12, 2009

Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Red River Parish Port Commission
Statement of Net Assets
June 30, 2009

	Governmental Activities
ASSETS:	
Current Assets:	
Cash & Cash Equivalents	\$ 58,055
Deposits	<u>110</u>
Non-current Assets:	
Capital Assets (net)	<u>3,808,280</u>
Total Assets	<u>\$3,866,445</u>
LIABILITIES:	\$ <u>0</u>
NET ASSETS:	
Invested in Capital Assets	\$3,808,280
Unrestricted	<u>58,165</u>
Total Net Assets	<u>\$3,866,445</u>

See notes to financial statements.

Red River Parish Port Commission
Statement of Activities
June 30, 2009

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
General Government- Port Operations	<u>\$254,236</u>	<u>\$15,579</u>	<u>\$15,797</u>	<u>\$0</u>	<u>\$ (222,860)</u>
		General Revenues:			
					\$ 441
					<u>1,650</u>
					<u>\$ 2,091</u>
					<u>\$ (220,769)</u>
					<u>4,087,214</u>
					<u>\$3,866,445</u>

See notes to financial statements.

FUND FINANCIAL STATEMENTS

Red River Parish Port Commission
Balance Sheet-Governmental Funds
June 30, 2009

	General <u>Fund</u>	Construction <u>Fund</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$57,501	\$554	\$58,055
Other Assets	<u>110</u>	<u>0</u>	<u>110</u>
Total Assets	<u>\$57,611</u>	<u>\$554</u>	<u>\$58,165</u>
LIABILITIES:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
FUND BALANCES:			
Unreserved	<u>\$57,611</u>	<u>\$554</u>	<u>\$58,165</u>
Total Liabilities and Fund Balances	<u>\$57,611</u>	<u>\$554</u>	<u>\$58,165</u>

See notes to financial statements.

Red River Parish Port Commission
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2009

Total Fund Balance for the Governmental Funds at June 30, 2009	\$ 58,165
Capital Assets reported in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet-	
Land, Equipment, and Buildings	4,230,079
Less, Accumulated Depreciation	<u>(421,799)</u>
Total Net Assets of Governmental Activities at June 30, 2009	<u>\$3,866,445</u>

See notes to financial statements.

Red River Parish Port Commission
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2009

	<u>General Fund</u>	<u>Construction Fund</u>	<u>Total</u>
REVENUES:			
Charges for Services- Rent/Fees	\$ 15,579	\$ 0	\$ 15,579
Intergovernmental- Red River Waterway	15,405	392	15,797
Miscellaneous- Interest	441	0	441
Other	<u>0</u>	<u>1,650</u>	<u>1,650</u>
Total Revenues	<u>\$ 31,425</u>	<u>\$2,042</u>	<u>\$ 33,467</u>
EXPENDITURES:			
Port Operations- Legal & Accounting	\$ 58,956	\$ 0	\$ 58,956
Administrative	7,457	1,650	9,107
Utilities	<u>424</u>	<u>0</u>	<u>424</u>
Total Expenditures	<u>\$ 66,837</u>	<u>\$1,650</u>	<u>\$ 68,487</u>
Excess (Deficiency) of Revenues over Expenditures	\$(35,412)	\$ 392	\$(35,020)
Fund Balance-Beginning of Year	<u>93,023</u>	<u>162</u>	<u>93,185</u>
Fund Balance-End of Year	<u>\$ 57,611</u>	<u>\$ 554</u>	<u>\$ 58,165</u>

See notes to financial statements.

Red River Parish Port Commission
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Funds
to the Statement of Activities
for the Year Ended June 30, 2009

Total Net Change in Fund Balance at June 30, 2009, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (35,020)
The Change in Net Assets reported for Governmental Activities in the Statement of Activities is different because:	
Depreciation expense on capital assets is reported in the Government-wide Financial Statements, but they do not require the use of current financial resources and are not reported in the Fund Financial Statements. Current year depreciation expense is	<u>(185,749)</u>
Total changes in Net Assets at June 30, 2009, per Statement of Activities	<u>\$(220,769)</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

Introduction:

The Red River Parish Port Commission was created by Act 1975, contained in R.S. 34:3166, of the Louisiana Legislature. The Commission serves all of Red River Parish. The Commission shall regulate the commerce and traffic, within the Commission area in such a manner as it may, in its judgment, be for the best interest of the State.

The Commission is comprised of seven members, two members appointed by the City of Coshatta, two members appointed by the Red River Parish Police Jury and three members appointed by the Governor. Term of appointment is six (6) years.

1. Summary of Significant Accounting Policies:

A. REPORTING ENTITY-

The Commission, for financial purposes, includes all of the funds relevant to the operations of the Commission. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Red River Parish Port Commission.

The Division of Administration of the State of Louisiana has determined that the Red River Parish Port Commission is a primary government and not a component unit or agency of the state government for financial reporting purposes.

B. BASIS OF PRESENTATION-

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

C. FUND ACCOUNTING-

The accounts of the Commission are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Commission maintains two funds. Both are categorized as governmental funds. The Commission considers both of the funds to be major.

Governmental Funds-

General Fund

The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

Construction Fund

The Construction Fund is used to account for all phases of construction projects at the Port.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Commission as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Commission considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. CASH AND INTEREST-BEARING DEPOSITS-

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts of the Commission.

F. CAPITAL ASSETS-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Commission maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Infrastructure	25 years
Buildings	20 years
Dock	20 years
Equipment	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

G. COMPENSATED ABSENCES-

There are no employees of the Commission, therefore no entry is made to record compensated absences.

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

H. EQUITY CLASSIFICATIONS-

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets---Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets---All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

I. ESTIMATES-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

J. BUDGET-

Prior to the beginning of each fiscal year, the Commission adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

2. Cash and Cash Equivalents:

For reporting purposes, cash and cash equivalents include demand deposits, time deposits, and certificates of deposit. At June 30, 2009, the Commission had cash and cash equivalents (collected bank balances) totaling \$58,055. Cash and cash equivalents are stated at cost, which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a holding or custodial bank in the form of safekeeping receipts held by the Commission. The deposits at June 30, 2009, were fully secured by FDIC Insurance.

3. Capital Assets:

Capital asset activity for the year ended June 30, 2009, is as follows:

Governmental Activities	Balance 07-01-08	Additions	Deletions	Balance 06-30-09
Capital Asset, not Depreciated:				
Land	\$ 324,777	\$ 0	\$0	\$ 324,777
Capital Assets, Depreciated:				
Roads	951,556	0	0	951,556
Office	83,885	0	0	83,885
Dock	1,548,204	0	0	1,548,204
Storage Pad	261,361	0	0	261,361
Scales/Scale House	210,804	0	0	210,804
Utilities	114,492	0	0	114,492
Material Handler	<u>735,000</u>	<u>0</u>	<u>0</u>	<u>735,000</u>
Total Assets	<u>\$4,230,079</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$4,230,079</u>
Less, Accumulated Depreciation:				
Roads	\$ 63,748	\$ 38,062	\$0	\$ 101,810
Office	4,893	4,194	0	9,087
Dock	90,312	77,410	0	167,722
Storage Pad	15,246	13,068	0	28,314
Scales/Scale House	12,297	10,540	0	22,837
Utilities	6,679	5,725	0	12,404
Material Handler	<u>42,875</u>	<u>36,750</u>	<u>0</u>	<u>79,625</u>
Total Depreciation	<u>\$ 236,050</u>	<u>\$ 185,749</u>	<u>\$0</u>	<u>\$ 421,799</u>
Net Assets	<u>\$3,994,029</u>	<u>\$(185,749)</u>	<u>\$0</u>	<u>\$3,808,280</u>

Depreciation expense of \$185,749 was charged to the Port operations.

Red River Parish Port Commission
Notes to Financial Statements
June 30, 2009

4. Litigation:

At June 30, 2009, there were no pending civil suits against the Commission.

5. Related Parties:

The Commission had no identified related party transactions for the year ended June 30, 2009.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

Red River Parish Port Commission
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2009

	<u>Budget</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Charges for Services	\$20,300	\$ 15,570	\$ 15,579	\$ 9
Intergovernmental	20,600	15,400	15,405	5
Interest	<u>300</u>	<u>450</u>	<u>441</u>	<u>(9)</u>
Total Revenues	<u>\$41,200</u>	<u>\$ 31,420</u>	<u>\$ 31,425</u>	<u>\$ 5</u>
EXPENDITURES:				
Current-				
Legal/Accounting	\$20,000	\$ 65,000	\$ 58,956	\$6,044
Administrative	17,900	9,660	7,407	2,253
Utilities	2,000	425	424	1
Miscellaneous	<u>1,300</u>	<u>50</u>	<u>50</u>	<u>0</u>
Total Expenditures	<u>\$41,200</u>	<u>\$ 75,135</u>	<u>\$ 66,837</u>	<u>\$8,298</u>
(Deficiency) of Revenues over Expenditures	\$ 0	\$(43,715)	\$(35,412)	\$8,303
Fund Balance-Beginning of Year	<u>93,023</u>	<u>93,023</u>	<u>93,023</u>	<u>0</u>
Fund Balance-End of Year	<u>\$93,023</u>	<u>\$ 49,308</u>	<u>\$ 57,611</u>	<u>\$8,303</u>

See accountant's report.

Red River Parish Port Commission
Construction Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2009

	Budget			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES:				
Intergovernmental	\$11,000	\$ 400	\$ 392	\$(8)
Other	<u>0</u>	<u>1,650</u>	<u>1,650</u>	<u>0</u>
Total Revenues	<u>\$11,000</u>	<u>\$2,050</u>	<u>\$2,042</u>	<u>\$(8)</u>
EXPENDITURES:				
Current-				
Legal/Accounting	\$ 0	\$ 0	\$ 0	\$ 0
Engineering	11,000	0	0	0
Inspection	0	0	0	0
Testing	0	0	0	0
Other	<u>0</u>	<u>1,650</u>	<u>1,650</u>	<u>0</u>
Total Expenditures	<u>\$11,000</u>	<u>\$1,650</u>	<u>\$1,650</u>	<u>\$ 0</u>
Excess of Revenues over Expenditures	\$ 0	\$ 400	\$ 392	\$(8)
Fund Balance-Beginning of Year	<u>162</u>	<u>162</u>	<u>162</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 162</u>	<u>\$ 562</u>	<u>\$ 554</u>	<u>\$(8)</u>

See accountant's report.

OTHER REPORTS

Johnson, Thomas & Cunningham

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Roger M. Cunningham, CPA – A Professional Corporation
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
of the Red River Parish Port Commission

We have audited the financial statements of the governmental activities and the major funds of the Red River Parish Port Commission, as of and for the year ended June 30, 2009, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated October 12, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Red River Parish Port Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Commission's financial statements that is more than inconsequential will not be prevented or detected by the Commission's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Commission's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that one required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Commission's management, the Louisiana Legislative Auditor, and interested state and federal agencies and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

October 12, 2009

Natchitoches, Louisiana

Red River Parish Port Commission
Schedule of Audit Findings
Year Ended June 30, 2009

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unqualified opinion was issued on the financial statements of the Red River Parish Port Commission as of and for the year ended June 30, 2009.
2. The audit did not disclose any significant deficiencies in internal control.
3. The audit did not disclose any instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

No findings.

III. STATUS OF PRIOR YEAR FINDINGS

There were none.